

Company No: 3298166

STOCKCLASSY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

We have prepared the unaudited financial statements on pages 3 to 7 for the year ended 31st December 2002 as Directors of the Company from the information in our possession for the benefit of the Shareholders only. These financial statements should not be relied upon by any other person.



STOCKCLASSY LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and the unaudited financial statements for the year ended 31st December 2002.

INCORPORATION

The Company is incorporated in England.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Principal activity

The principal activity of the Company is to participate in financing transactions related to ship building. The transactions entered into in the year are described in detail in Note 6 to these financial statements. The Directors expect that the present level of activity will be sustained for the foreseeable future. The Company is a non-trading company.

RESULTS FOR THE YEAR AND STATE OF AFFAIRS AT 31ST DECEMBER 2002

The profit for the year amounts to £ Nil (2001: £ Nil).

DIVIDENDS

The Directors are unable to recommend a dividend for the year.

DIRECTORS AND SECRETARY

The Directors who held office during the year and subsequently were:-

J.A.J. Chapman	
R.T. Gibson	(resigned - 23/06/03)
S.B. De Carteret	(resigned - 23/06/03)
G. Essex-Cater	(appointed - 23/06/03)
D.J. Le Blancq	(appointed - 23/06/03)

The Secretary who held office during the year and subsequently is:-


Jordans Company Secretaries Limited

REGISTERED OFFICE

21 St. Thomas's Street
Bristol
BS1 6JS

ON BEHALF OF THE BOARD

Director :



Date: 29/1/04

STOCKCLASSY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company Law requires the Directors to prepare financial statements which shall be in accordance with UK accepted accounting principles and show a true and fair view of the profit or loss of the Company for the year and of the state of the Company's affairs at the end of the year.

In preparing the financial statements the Directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- * prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping accounting records which are sufficient to show and explain the Company's transactions and are such as to disclose with reasonable accuracy, at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, errors and other irregularities.

STOCKCLASSY LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 2001

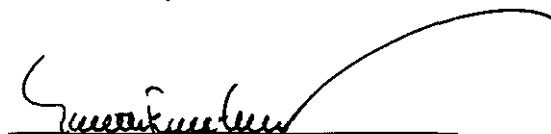
	<u>Notes</u>	<u>2002</u>	<u>2001</u>
CURRENT ASSETS			
Cash at bank	2	2	2
TOTAL NET ASSETS		<u>£ 2</u>	<u>£ 2</u>
SHAREHOLDERS' FUNDS			
Called up share capital	3	2	2
EQUITY SHAREHOLDERS' FUNDS	5	<u>£ 2</u>	<u>£ 2</u>

AUDIT EXEMPTION

- (a) For the year ended 31 December 2002 the Company was entitled to exemption under s.249A(1) of the Companies Act 1985.
- (b) No notice has been deposited under s.249B(2) of the Companies Act 1985 requiring audited accounts to be prepared.
- (c) The directors recognise their responsibilities for:
- (i) ensuring the Company maintains accounting records in accordance with s.221 of the Companies Act 1985; and
 - (ii) preparing accounts which give a true and fair view of the state of the Company's affairs at the end of the financial year and of any profit or loss in accordance with s.226 of the Companies Act 1985 and otherwise comply with the provisions of the Companies Act 1985 as they relate to accounts.
- (d) Advantage has been taken of the exemptions conferred by Section A of Sch.8 of the Companies Act 1985.
- (e) In the opinion of the directors, the Company is entitled to those exemptions on the basis that it qualifies as a small Company.

The financial statements were approved by the Board of Directors on the 29 day of January 2004 and were signed on its behalf by:

Director:



(The notes on pages 4 to 7 form part of these financial statements)

STOCKCLASSY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The more significant accounting policies used are set out below:-

Transaction reporting

The Company entered into the transactions described in Note 6 to these financial statements. The substance of such transactions are not, pursuant to the requirements of FRS 5, reflected in the balance sheet forming part of these financial statements as, in the Directors' view, no quantifiable financial benefits or risks accrue to the Company as a result of its participation in the said transactions.

Cash flow statement

A cash flow statement has not been included in these financial statements as the Company qualifies for exemption as a small company under the terms of Financial Reporting Standard No.1 (Revised) "Cash Flow Statements".

2. CASH AT BANK

	<u>2002</u>	<u>2001</u>
Mourant & Co. - Client account	£ 2	£ 2

3. CALLED UP SHARE CAPITAL

	<u>2002</u>	<u>2001</u>
AUTHORISED:		
1,000 ordinary shares of £1 each	£ 1,000	£ 1,000
ISSUED AND FULLY PAID:		
2 ordinary shares of £1 each	£ 2	£ 2

4. OPERATING EXPENSES

Operating expenses of the company have been settled by a third party.

STOCKCLASSY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2002

5. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2002</u>	<u>2001</u>
Opening shareholders' funds	2	2
Closing shareholders' funds	£ 2	£ 2

6. TRANSACTIONS

On 31st July, 1997 the Company entered into a novation agreement (the "Novation Agreement for Hull 1564") and accepted the obligations and rights of a commercial counterparty arising in connection with a shipbuilding contract (the "Shipbuilding Contract for Hull 1564") dated 2nd December, 1996 relating to the construction of a Tuna Purse Seiner known as Hull 1564. As at the balance sheet date the commitments under the terms of the Shipbuilding Contract for Hull 1564 had been fulfilled by the Company. Hull 1564 was launched on 19th August 1999.

The Company has also entered into a contract dated 31st July, 1997 to sell Hull 1564 (the "Sales Contract for Hull 1564") to a commercial counterparty (the "Purchaser for Hull 1564"). As at the balance sheet date the full commitment of the Purchaser for Hull 1564 had been invoiced and received by the Company under the terms of the Sales Contract for Hull 1564.

The Company maintains funds on a secured deposit account (the "Secured Deposit for Hull 1564") in the name of the Company with HSBC Bank plc (the "Bank"). The Secured Deposit for Hull 1564 bears interest fixed at 8.80% per annum payable quarterly in arrears. To secure its obligations under the Sales Contract for Hull 1564 the Company has assigned to the Purchaser all of its rights, title and interest in and to the Shipbuilding Contract for Hull 1564.

The Euro (formerly PTA) amounts payable by the Company under the terms of the Shipbuilding Contract for Hull 1564 have been financed in the following manner. First, the Company has entered into a loan agreement (the "Loan Agreement for Hull 1564") with the Bank dated 31st July, 1997. Amounts drawn down under the Loan Agreement for Hull 1564 bear interest at the fixed rate of 8.80% payable quarterly in arrears up to the date of delivery of Hull 1564 and annually in arrears thereafter. All amounts drawn down under the Loan Agreement are repayable in full by ten annual installments commencing three years after the date of delivery of Hull 1564.

On 10th July, 2000 the Company entered into a deed of novation and charge (the "Deed of Novation and Charge for Hull 1575") and accepted the obligations and rights of a commercial counterparty (the "Purchaser for 1575") arising in connection with a Facility Agreement (the "Facility Agreement for Hull 1575") dated 10th July 2000 and accepted, absolutely all of the rights, title and interest of the Purchaser for Hull 1575 in and to a Cash-Collateral Account (the "Deposit for Hull 1575") relating to the construction of a vessel known as Hull 1575. Hull 1575 was completed and delivered to the Purchaser for Hull 1575 before the Company entered into the Deed of Novation and Charge for Hull 1575. Hull 1575 was launched on 25th May 2001.

STOCKCLASSY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2002

6. TRANSACTIONS - (continued)

On 29th December 2000 the Company entered into novation agreements and accepted the obligations and rights in connection with Loan Agreements, Deposit Agreements and Financing Agreements (the "Novation Agreements") relating to the construction and sale of an Oil and Chemical Tanker known as Hull 1568 (dated 28th March 1997 and subject to various amendments) and two ro ro vessels known as Hull 1571 and 1572 (both dated 14th July 1997 and amended and restated on 30th July 1997). Hulls 1568, 1571 and 1572 were launched on the following dates, respectively: 19th November 1998; 24th November 1999 and 13th March 2000.

Hulls 1568, 1571 and 1572 had been constructed and delivered to various counterparties (the "Purchasers for Hulls 1568, 1571 and 1572") before the Company entered into the Novation Agreements.

The Purchasers for Hulls 1568, 1571 and 1572 were instructed to pay Euro amounts payable under the terms of Sales Contracts for Hulls 1568, 1571 and 1572 to the Bank. The said Euro amounts are maintained subject to the terms of the Novation Agreements on secured deposit accounts (the "Secured Deposits for Hulls 1568, 1571 and 1572") in the name of the Company with the Bank.

The Secured Deposit for Hull 1568 bears interest currently at 9.13% per annum and the secured deposit for Hulls 1571 and 1572 bears interest at 8.80% per annum payable annually. The principal amounts of the Secured Deposits for Hulls 1568, 1571 and 1572 have been pledged by the Company to the Bank as security for the obligations of the Company to the Bank arising in connection with the Loan Agreements (as hereinafter defined).

In respect of Hull number 1568, the Company has entered into a loan agreement (the "Loan Agreement for Hull 1568") with the bank dated 13th May 1997. Amounts drawn down under the Loan Agreement for Hull 1568 bear interest at the fixed rate of 9.13% payable annually. All amounts drawn down under the Loan Agreement for Hull 1568 are repayable in full by ten annual installments commencing three years after the date of delivery of the vessel.

In respect of Hull numbers 1571 and 1572, the Company has entered into loan agreements (the "Loan Agreements for Hulls 1571 and 1572") with the Bank dated 31st July 1997 (and subsequently amended and supplemented). Amounts drawn down under the Loan Agreements for Hulls 1571 and 1572 bear interest at the fixed rate of 8.80% payable annually. All amounts drawn down under the Loan Agreements for Hulls 1571 and 1572 are repayable in full by ten annual installments commencing three years after the date of delivery of those vessels.

Pursuant to deposit agreements (the "Deposit Agreements") made between the Company and the Bank dated 31st July, 1997 in connection with Hull numbers 1564, 1571 and 1572 and dated 13th May 1997 in connection with Hull number 1568, the principal balances from time to time the Secured Deposit established in respect of the relevant vessel and interest accruing thereon are, and may be applied by the Bank, to discharge the Company's obligations to the Bank arising under or in connection with the Loan Agreement entered into by the Company in respect of that vessel. Interest received by the Company on each of the Secured Deposits is and will be applied to finance loan interest payable by the Company to the Bank. The principal amounts of the Secured Deposit established in relation to a given vessel will be the source of repayment of the principal amount of the Loans advanced to finance the construction of that vessel.

STOCKCLASSY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2002

6. TRANSACTIONS - (continued)

On 27th November 2001, the Company participated in a contract for the proposed construction of new vessels (collectively known as the "Vessels") by Hijos de J. Barreras, S.A. ("Barreras") and their subsequent acquisition by commercial counterparties (collectively known as the "Transactions"). The details of the vessels are as follows:

- a) a RO-VO vessel known as Hull 1591 which was delivered on 16th July 2002 to Navicar SA of Ayala 6, 28001 Madrid, Spain ("Navicar") ("Hull 1591");
- b) a RO-VO vessel known as Hull 1592 which was delivered on 30th October 2002 to Flota Suardiaz of ayala 6, 28001 Madrid, Spain ("Flota") ("Hull 1592");
- c) a RO-VO vessel known as Hull 1593 which was delivered on 4th December 2003 to Flota ("Hull 1593");
- d) a RO-VO vessel known as Hull 1600 which was delivered on 16th December 2003 to Flota ("Hull 1600").

As at the balance sheet date the full commitment of the Purchasers in respect of Hull numbers 1591, 1592, 1593 and 1600 had been invoiced and received by the Company under the terms of the Sales Contracts.

On 11th December 2002, the Company intended to enter into, inter alia, a novation agreement pursuant to which the Company assumed the position of buyer in place of Maritima de las Islas ("Maritima") in respect of a shipbuilding contract made between Barreras and Maritima relating to the construction of a vessel known as Hull 1617. Hull 1617 was delivered on 6th June 2003 to Naveira es Norai, A.I.E. ("Naveira") ("Hull 1617").

As a result of the limited recourse and other provisions of each of the Shipbuilding Contracts, the Sales Contracts, the Financing Agreements, the Deposit Agreements, the Swap Transactions and the other documents entered into by the Company in connection with the aforementioned transactions the said transactions are not considered to produce any inflow or outflow of benefit to, or risk or reward for, the Company. As a result, payments received and made, receivable and payable in respect of those transactions as well as any currency, interest or other exposures or benefits arising therefrom do not constitute new assets or liabilities, as defined under FRS5, and consequently are not recognised on the balance sheet.

7. RELATED PARTIES

J.A.J Chapman is a partner in the Maurant Group, and G. Essex-Cater and D. Le Blancq are employees of the Maurant Group, affiliates of which provide ongoing legal advice and administrative services to the Company at normal commercial rates.

8. HOLDING COMPANY

The Company is owned by Maurant & Co. Trustees Limited as Trustee of the Ultra Charitable Trust. The Directors do not consider there to be a single ultimate controlling party under the definition of FRS 8.